

---

**JOURNAL OF MARKETING MANAGEMENT AND CONSUMER BEHAVIOR**

---

# Factor that influences consumers' brand loyalty towards cosmetic products

Chan Yin Yee <sup>a,\*</sup>, Shaheen Mansori <sup>b</sup>

<sup>a</sup> INTI International University, Malaysia

<sup>b</sup> Asso. Professor, INTI International University, Malaysia

---

## ARTICLE INFO

### *Keywords:*

Brand loyalty  
Cosmetic industry  
Brand Image  
Perceived Quality  
Price  
Promotion  
Consumer Satisfaction

---

## ABSTRACT

Cosmetic industry is a lucrative business that progressively attracts more attention from marketing research. The highly competitive environment in the cosmetic industry makes it a valuable area to study brand loyalty in cosmetic products. Brand loyalty is one of the important aspects which is significant for the management to sustain competitive advantages in the market. In this research, the relationship between brand loyalty and determinants of brand loyalty was unveiled, with special focus on brand image, perceived quality, price and promotion. The objective of this research is to study the factors that influence brand loyalty of cosmetic products in Malaysia; to identify the most influential factors relating to brand loyalty of cosmetic products in Malaysia; to evaluate the relationship between consumer satisfaction and brand loyalty of cosmetic product in Malaysia. This research was adopted a descriptive survey research design where questionnaires were used for data collection. The respondents were sampled using the convenience sampling method. The data was collected using structured questionnaires and the quantitative data was analyzed using SPSS and PLS and will be presented in table tabulations and percentages.

Journal of Marketing Management and Consumer Behavior  
All rights reserved

---

\*Corresponding Author:  
[whiteice\\_yee@hotmail.com](mailto:whiteice_yee@hotmail.com)

## **1. Introduction**

According to Eze, tan and Yeo (2012), cosmetic became an extensive and popular category among young and adult people as it identified them with a more relaxed lifestyle, greater versatility and comfort. Hassali, (2015) stressed that, Asian market of cosmetics becomes one of the fastest growing markets which has increased to more than US\$70 billion, is the second highest after the Western European market. Meanwhile, the beauty and health market in Malaysia is growing fast where consumer expenditure rate on cosmetics and toiletries increasing during the last few years to be 40% from Malaysian Ringgit (MYR) 1.4 billion in 1995 to MYR 1.9 billion in 2007 projecting sales volume to hit \$1.1 billion by 2010 and the total spending in cosmetics and toiletries is about US\$407 million in 2013. Additionally, in the cosmetics department, Malaysians spend an estimated RM1.6 billion annually on cosmetics, established brands from Europe and US emerge as favorites among Malaysians but local cosmetics brands have been steadily gaining the public's trust as many of Malaysian cosmetics manufacturers have been exporting their products to countries as far as Europe, Australia and China (Malaysia Insider, 2014). Furthermore, Malaysian consumers tend to obtain beauty products from top name brands that are marketing specifically in term of enhancing youthful appearance, among the sale of cosmetics and toiletries, Skincare products represented more than US\$229 million by value in 2013 and followed by eye cosmetics color with value of US\$20.6 million, then followed by Powder make-up, lip make-up preparation, Manicure and Pedicure (Hassali, 2015).

Ismail et. al., (2012) stressed in these competitive and aggressive market, companies aware the significance of keeping existing customer and some of the companies have initiate variety of activities to build long term relationship or in other words improve customer loyalty. McMullan and Gilmore (2010) determine that company with high rate of loyal consumer have a competitive advantage over other company and this loyalty will link to the success and profitability of a company as loyal consumer will purchase more frequently, spend more money on trying new product and recommend products to others. Brand loyalists can make or break a brand image by word of mouth promotion because it has the power toward a brand survives on the usage of its products or services by the customers thus protecting brand switching among consumers has become very critical. Lim et. al., (2012). The average company loses around 13% of their customer base every single year shows challenging in the competitive environment of the modern world and in order to achieve a mere 1% annual growth, the sales

need to increase by 14% to both new and existing customers (Rezvani et. al, 2013). The importance of brand loyalty can lead to more consistent sales of greater volumes, due to the fact that the same brand is purchased repeatedly, consumers become less price-sensitive, less prone to chase after discounts and loyal consumers are ready to search for that brand and are less sensitive to competitors (Mansor et. al, 2010).

### **1.1 Research Objectives**

- I. To study the factors that influence brand loyalty of cosmetic products in Malaysia.
- II. To identify the most influential factors relating to brand loyalty of cosmetic products in Malaysia.
- III. To evaluate the relationship between consumer satisfaction and brand loyalty of cosmetic products in Malaysia.

### **1.2 Research Questions**

- I. What are the factors influence brand loyalty of cosmetic products in Malaysia?
- II. Which is the most influential factor to the brand loyalty of cosmetic products in Malaysia?
- III. Does consumer satisfaction influence brand loyalty of cosmetic products in Malaysia?

## **2. Literature Review**

### **2.1 Brand Loyalty**

According to Che Wel et. al., (2011), brand loyalty defined as kept long-term preferable relationships to a specific product or service and also included some degree of commitment toward the quality of a brand that is a function of both positive attitudes and repetitive purchases. Khraim (2011); believe that customers may also be loyal due to high switching barriers related to economical and psychological factor which make it costly or difficult for the customer to change. Besides that, Muhammad Ehsan Malik et. al., (2013) stated that loyal customers just make a purchase confidently on the basis of previous experiences without evaluate the brand. In other words, customers may also be loyal because of the satisfaction with the brand and thus want to continue the relationship with the brand. Additionally, Sasmita and Suki (2015) found that the characteristic of loyal customer is preference and consistency to purchase a product or service while the importance of loyal customer also thought to act as information channels, informally linking networks of friends, relatives and other potential customers to the product.

## **2.2 Brand Image**

A global brand is defined from a consumer's perspective as a brand which is believed to be marketed and recognized in multiple countries, in turn, a local brand is produced domestically for a specific national market and usually only obtainable in the particular region (Akram et al. 2011). It is identified that a local brand may be preferred when consumers can identify with others in their community as the local brand is often positioned to understand local needs and culture besides, global brands have been perceived to be of higher quality in developed and developing countries (Kumar and Kim 2010). Brand image is the first word or image that comes to mind when a certain brand is mentioned, but it can be altered by new information or damaged by media commentators. In western cultures, brand image can be like a human being with unique characteristics whereas in collectivistic culture like Malaysia, it can be quality and the representation of trust in a firm (Rahim et. al., 2010). A relative advantage of brand image is represented in the entrance barrier to any market, as customers mainly prefer brands with a strong image during their purchasing decisions (Nikhashemi, Paim, Sidin, and Osman, 2013). According to Saydan (2013), brand image is essential for marketing experts and customers, particularly marketing experts use brand image in differentiating, positioning, and extending the brand, besides establishing favorable attitudes and feelings towards the brand and providing the benefits of purchasing and selecting that brand. Practically, consumers utilize brand image to process, organize, and recall the data in their memories about it to form purchasing decision (Lee et al., 2014). Therefore, in order to clearly convey the company's goal and to position its brand, proper brand images are essential.

## **2.3 Perceived Quality**

Perceived quality is widely known as an important factor of purchase intention among Malaysian consumers, they tend to perceive a well-known product as having high quality (Pauzi et. al., 2014). The consumers in United States placed for product quality are reliability, durability and ease of use (Pitman, 2015). Wong and Sidek (2010) indicated that product quality include the feature and attribute of a product, if the product can satisfy consumer need and expectation, consumer may repeat the purchase of single brand as consumer consider the product is high quality whereas if the product cannot fulfill consumer need and expectation, consumer may switch around several brand as consumer consider the product is low quality. For example, consumer use cosmetic for work, leisure and sport thus the functional

characteristic in cosmetic such as breathable, quick-dry, lightweight, waterproof and durability is an essential consideration in purchasing cosmetics. Besides that, consumer will carefully observed the product quality through product features, functions and packaging because consumers demanded new features for the product and the tangible quality of the sold product leads to repeated purchase of a single brand or switch around several brands (Khraim, 2011).

## **2.4 Price**

According to Ong et.al. (2010), price is one of the considerations made by Malaysian consumers to choose either the local or the imported products, Malaysian consumers are less focused on the product's price as consumers always perceive a better value from high price compared to low price. Khraim (2011) pointed that price is the most critical element for the general consumer but high brand loyalty consumer was willing to paid their favored brand with a premium price as consumer will compared and evaluated alternative brand and has strong belief of their favorite brand in the price and value, consumer will purchased the product if the perceived value is beyond the cost thus consumer purchase intention will not easily affected by price. Meanwhile, consumer purchase intention will not affected easily by price as the brand loyalty already built into the brand and loyal customer ready to paid more even the price increased to avoided any perceived risks (Singh and Pattanayak, 2014).

## **2.5 Promotion**

Promotion is an important element of a firm's marketing strategy, which is a kind of communication with consumers with respect to product offerings, and it is a way to encourage purchase or sales of a product or service (Clow, 2010). Promotion includes the use of advertising, sales promotions, personal selling and publicity whereas, advertising is a non-personal presentation of information in mass media about a product, brand, company or store which can greatly affects consumers' images, beliefs and attitudes towards products and brands, and in turn, influences consumer purchase behaviors thus, through advertising, ideas or perception can establish in the consumers' minds as well as help differentiate products against other brands (Lovelock, 2010).

De Chernatony (2010) stressed that advertising is a powerful tool to develop functional and emotional values of brand and is used primarily by the firms to achieve sales by informing the consumers about new or improved products. Besides, Vrancken (2015) defined that television

advertising plays a key role in conveying product information where 10% of Malaysian consumers rank television as their number one source of new product information and 46% rank television advertising second as their top sources of influence in looking to buy new products. Additionally the promotion of prestige cosmetics brands in the local magazines in Malaysia as well as the advertising in the magazines worldwide makes many American and European cosmetics brands are popular and famous among Malaysian consumers (Hassali, 2015).

## **2.6 Consumer Satisfaction**

Ramiz (2014), defines consumer satisfaction as a post-consumption evaluation of a product or service in terms of positive or neutral or negative attitudes toward the product or service that results from favorable correspondence between consumers' expectations and experiences with a firm or its products and services. One of the major reasons that consumer satisfaction has been in the center of academic and managerial attention alike is an important role that satisfaction plays in building consumer loyalty where satisfaction was found to be an important post-purchase response often associated with favorable word-of-mouth and consumer loyalty (Olsen and Johnson, 2010).

Moreover, customer satisfaction is the originator of the brand loyalty it is the assessment about the brand as all the key factors regarding Brand loyalty effecting consumer judgment of repeated purchase hence can concluded that loyalty is affected by satisfaction and the estimates of repurchase intention for products are predicted by satisfaction meanwhile, consumer satisfaction is not only rational but also emotional. When customers are happy and satisfy from branded products then they also tell others to purchase them, consumer are less likely to shift to other different brand and are likely to repeat purchase said (Ramiz, 2014).

## **2.7 Hypotheses**

H1: There is a relationship between brand image and brand loyalty for cosmetic product in Klang Valley, Malaysia.

H2: There is a relationship between product quality and brand loyalty for cosmetic product in Klang Valley, Malaysia.

H3: There is a relationship between price and brand loyalty for cosmetic product in Klang Valley, Malaysia.

H4: There is a relationship between promotion and brand loyalty for cosmetic product in Klang Valley, Malaysia.

H5: Consumer satisfaction has a mediating effect on the brand loyalty for cosmetic in Klang Valley, Malaysia.

### **3. Research Methodology**

#### **3.1 Study Population, Unit of Analysis, and Sampling Design**

According to Department of Statistics Malaysia (2015), the total population of Malaysia is estimated 31 million people whereby Kuala Lumpur has an estimated population of 1.67 million people and out of the population, 839.8 thousand people are female (Knoema, 2015). According to Cochran (2007) declared that the population is large thereby researcher is impossible collect all the views of individual in population. Krejcie & Morgan (1970) provides a sample table (Figure 3) to determine the required size of a random sample. Based on Krejcie and Morgan table (1970), the sample size for 839.8 thousand people is 265 and those questionnaires will be distributed at Klang Valley area. At the same time, the unit of analysis is focuses on individual; the questionnaire will be answer individually by the target population. Moreover, this research will choose cross sectional study of time scale where the population of interest and collection of data is done once from one respondent at one time (Zikmund, Babin, Carr et. al., 2010). Furthermore, the study setting is viewed as non-contrived as it collect respondent opinion through a questionnaire. Besides that, Sekaran and Bougie (2011) mentioned, the external validity will be higher when the data collection is done in a non-contrived environment, which is the method used in this study. On the other hand, gender as a controllable variable means the questionnaire will only target on female with the age of above 21 years old. Additionally, convenience sampling method will be used because the information can be collected quickly and efficiently within the time constraint, especially for study like this study where there is a major time constrain (Saunders et al., 2009).

#### **3.2 Questionnaire Design**

For this research, self-administered survey would be done through structured questionnaires and conduct on internet based connection. According to Sekaran and Bourgie, (2011), a wide range of respondents can be reach using questionnaire and data obtain can be easily analyses. The questionnaire adopted for this research consists three sections where section A, focuses on respondents' demographic profile, meanwhile section B is relate to the

independent variable which are brand image, perceived quality, price and promotion. In section C, respondents are required to answer questions about consumer satisfaction and brand loyalty towards cosmetic products. The Section A of the questionnaire consists of four simple questions that includes age, marital status, and income and education level. The remaining parts of the questionnaires in this research all of the constructs are using six-point Likert scales to measured (from strongly disagree =1 to strongly agree =5).

## 4. Results

### 4.1 Demographic of Respondents

In this research, the respondents' age, marital status, highest education level, income, frequency of purchasing cosmetic product, monthly spending on cosmetic product, preferred cosmetic brand, place to purchase cosmetic product and factor purchasing cosmetic product were examined in the demographic section. A total of 300 questionnaires were distributed online by using Google Form, however, there are only 275 responses received. Based on the received responses, only 265 responses were usable because some of the respondents did not fill in all the questions required.

**Table 1**  
Summary of Demographic Characteristic

	Frequency	Percentage (%)
<b>Age</b>		
18-25 years old	124	46.8
26-35 years old	127	47.9
36-45 years old	8	3
46-55 years old	6	2.3
<b>Marital status</b>		
Single	159	60
In a relationships	84	31.7
Married	22	8.3
<b>Highest education level</b>		
SPM/STPM/Diploma	99	37.4
Bachelor's degree	126	47.5
Master's degree	40	15.1
Doctorate's degree	0	0
<b>Monthly income</b>		
<RM 1,000	66	24.9
RM 1,001-RM 2,000	26	9.8
RM 2,001-RM 3,000	64	24.2
RM 3,001-RM 4,000	60	22.6



>RM 4,000	49	18.5
<b>Frequency of buying cosmetic product</b>		
Once a month	199	75.1
Twice a month	34	12.8
Three times a month	13	4.9
>three times a month	19	7.2
<b>Monthly cosmetic spending</b>		
<RM 50	87	32.8
RM 51-RM 150	105	39.6
RM 151-RM 200	47	17.7
>RM 300	26	9.8
<b>Preferred cosmetic brand</b>		
L'Oreal	24	9.1
Avon	8	3
Estee lauder	14	5.3
Maybelline	33	12.5
Shiseido	22	8.3
SK II	8	3
Silkygirl	8	3
Others	148	55.8
<b>Place to purchase cosmetic product</b>		
Supermarket/Hypermarket	28	10.6
Department store	56	21.1
Direct sales	7	2.6
Pharmacy	48	18.1
Personal care store	58	21.9
Specialty store	68	25.7
<b>Factor purchasing cosmetic product</b>		
Brand image	35	13.2
Product quality	173	65.3
Price	30	11.3
Promotion	27	10.2

Based on the result, majority of the respondents were from the age group of 26-35 years old which consisted of 47.9% of them, which was then followed by 46.8% of them were 18-25 years old, the remaining 5.3 were from the age group of above 35 years old. The demographic profile indicated that out of 265, 60% of them are single followed by 31.7% of them were in a relationship and the remaining 8.3% of the respondents were married. Besides, majority of the respondents have bachelor's degree which consisted of 47.5% while 37.4% of the respondents have postgraduate certificate and 15.1% of the respondents have master's degree. Additionally, most of the respondent monthly income are below RM 1,000 which consisted of 24.9%, which was then followed by 24.2% of them have RM 2,001-RM 3,000 monthly income, followed by

22.6% of the respondent have RM 3,001-RM 4,000 monthly income, while, 18.5% of the respondent monthly income have more than RM 4,000 and the remaining 9.8% of the respondent have RM 1,001-RM 2,000 monthly income. On the other hand, majority of the respondents purchased cosmetic product once a month which consisted of 75.1%, which was then followed by 12.8% of them were purchased cosmetic product twice a month. Meanwhile, 4.9% of them were purchased cosmetic product three times a month and the remaining 7.2% of them were purchased cosmetic product more than three times a month.

Meanwhile, most of the respondent are spend RM 51-RM 150 monthly on cosmetic product which consisted of 39.6%, followed by 32.8% of them spend less than RM 50 per month on cosmetic product, followed by 17.7% of them spend RM 151-RM 200 monthly on cosmetic product and 9.8% of them spend more than RM 300 per month on cosmetic product. Other than that, 12.5% of the respondent are preferred Maybelline, followed by 9.1% of them preferred L'Oreal, followed by 8.3% of them preferred Shiseido, followed by 5.3% of them preferred Estee lauder, while, 3% of them preferred for Silkygirl, Avon and SKII respectively. However, there are 55.8% of the respondent are preferred others cosmetic product that is not on the selection list. Moreover, most of the respondent purchased cosmetic product from specialty store which consisted of 25.7%, which was then followed by 21.9% of them were purchased cosmetic product from personal care store, followed by 21.1% of them were purchased cosmetic product from department store, followed by 18.1% of them were purchased cosmetic product from pharmacy, followed by 10.6% of them were purchased cosmetic product from supermarket/hypermarket and 2.6% of them were purchased cosmetic product from direct sales. Nevertheless, majority of the respondents are purchased cosmetic product due to product quality which consisted of 65.3%, followed by 13.2% of them purchased cosmetic product due to price, while 11.3% of them purchased cosmetic product due to promotion and 10.2% of them purchased cosmetic product due to brand image. Thus, it indicates that perceived quality is correlated well with brand loyalty in the case of cosmetic products.

**Table 2**

Reliability and validity analysis

Indicator	Variables and items	Factor loading	CR	AVE	Cronbach's Alpha
BI	Brand Image		0.87	0.626	0.801
BI1	I believe the brand image that I choose is outstanding and gives me a good impression.	0.732			
BI3	I believe the brand I choose has a high reputation for quality.	0.834			
BI4	This brand comes to my mind immediately when I want to purchase a cosmetic product.	0.789			
BI5	The value of this brand give me confidence to its products.	0.806			
PQ	Perceived Quality		0.852	0.537	0.782
PQ1	The likely quality of the brand is extremely high.	0.735			
PQ2	I believe the performance of the brand is compatible to my expectation.	0.827			
PQ3	Product attributes can fulfill my functional and emotional needs.	0.757			
PQ4	I believe that product's country of origin does determine the quality of the product.	0.629			
PQ5	The brand I choose has overall better quality than others brands.	0.701			
PRI	Price		0.888	0.798	0.748
PRI1	I find myself comparing the prices of even small cosmetic items.	0.904			
PRI3	I will compare the price of each cosmetic product before buying.	0.883			
PRO	Promotion		0.853	0.592	0.770
PRO1	Advertisement of the brand is attractive.	0.764			
PRO2	Advertisement of the brand convince me to purchase	0.815			
PRO3	The advertisement can provide relevant information about the product.	0.764			
PRO4	Point of purchase (display) of brand are attractive	0.732			
SAT	Consumer Satisfaction		0.903	0.652	0.867
SAT1	Overall I am satisfied with specific experience with the brand.	0.830			
SAT2	I am satisfied with my decision to purchase from this brand	0.791			
SAT3	My choice to use this brand has been a wise one.	0.791			
SAT4	I think that I did the right thing when I used this brand.	0.794			
SAT5	This brand does a good job of satisfying my needs.	0.829			
BL	Brand Loyalty		0.893	0.583	0.857
BL1	This brand would be my first choice.	0.767			
BL2	I consider myself to be loyal to this brand.	0.803			
BL3	I would like to use the current brand more than other brand.	0.786			

BL4	I recommend this brand to someone who seeks my advice.	0.715
BL5	I say positive things about this brand to other people.	0.777
BL6	I am willing to pay premium price over competing products to be able to purchase this brand again.	0.731

\*CR= Composite Reliability

\*AVE= Average Variance Extracted

Factor analysis was carried out in PLS and all the loadings of each and every variable were observed, in table 4.2 those factors that met the minimal threshold of 0.7 have been recorded as those are the ones that were maintained after a factor analysis was done. According to Hair et al., (2014) the items with communalities values which are lower than 0.7 should be removed from the questionnaire in order to ensure the items are relevant for the further analysis. Therefore, loading such as BI2, PRI2, PRI4 and PRO5 were taken out as they failed to meet the minimal threshold of 0.7 and were below the threshold meaning that they failed to load well with their respective variables.

After the factor analysis the Average Variance Extracted (AVE) was observed, the purpose of AVE is to check for convergent validity and the minimal threshold to be met in this case is that the AVE for all the constructs should be more than 0.5 (Fornell and Larcker, 1981). Based on the table, brand image, perceived quality, price, promotion, consumer satisfaction and brand loyalty on cosmetic products have all achieved the minimal threshold ranging from 0.537 to 0.798 and hence the convergent validity was achieved. Later the PLS model was checked for reliability by checking on internal consistency whereas the composite reliability values were observed. All the constructs ranged from 0.852 to 0.903 indicating that no construct was below the minimal threshold value of 0.7 which shows that all the constructs are reliable for the study. According to Hair et al. (2010), this range showed a satisfactory level of 0.7 to 0.9 where the reliability of each scale showed a good internal consistency. In order to evaluate the internal consistency, the data was analyzed by looking at the composite reliability and Cronbach's alpha. Based on the Table 4.5, the Cronbach's alpha for all the constructs were ranging from 0.748 to 0.867 and this showed that the constructs were reliable because all the values were higher than the rule of thumb of 0.7 (Hair et al., 2010).

## 4.2 Path Analysis

After the preliminary data analyses were done, hypothesis testing was then evaluated by analyzing the variation inflation factor, path coefficient, t-statistics and p-value. These values were used to evaluate the relationship between variables and fitness of the inner model in the study.

**Table 3**

Path analysis results

Path relationship	Path coefficient	T statistics	P value	(VIF)	Hypothesis
H1: Brand image→ consumer satisfaction	0.133	2.070	0.049	1.791	Supported
H2: Perceived quality→ consumer satisfaction	0.490	7.556	0.000	2.093	Supported
H3: Price→ consumer satisfaction	0.170	3.338	0.000	1.093	Supported
H4: Promotion→ consumer satisfaction	0.119	2.413	0.001	1.265	Supported
H5: Consumer satisfaction→ brand loyalty towards cosmetic product	0.669	14.983	0.029	1.000	Supported

\*VIF= Variation Inflation Factor

For H1, the path coefficient of brand image and consumer satisfaction towards cosmetic products shown was 0.133, while the p-value was 0.049 and t-value was 2.070. This showed that brand image has significant relationship towards consumer satisfaction because the p-value was less than 0.05 and the t-statistics value was less than 1.96 at the significance level of 5%. According to Sekaran and Bougie (2010), the VIF values should be less than 5 in order to ensure that the items are not overlapping within the same constructs. The VIF values was 1.791 indicated the absence of multicollinearity problem in structural model. Hence, H1 is supported because it is significant.

H2 is the hypothesis examining the relationship between perceived quality and consumer satisfaction towards cosmetic products in Klang Valley, Malaysia. Based on the results, the path coefficient of perceived quality and consumer satisfaction towards cosmetic products was 0.490, while p-value was 0.000 and T-value of 7.556. This shown that perceived quality has significant relationship towards consumer satisfaction and the VIF values was 1.791 indicated the absence of multicollinearity problem in structural model. Hence, H2 is supported because it is significant.

H3 is the hypothesis examining the relationship between price and consumer satisfaction towards cosmetic products in Klang Valley, Malaysia. Based on the results, the path coefficient of price and consumer satisfaction towards cosmetic products was 0.170, while p-value was

0.000 and T-value of 3.338. This shown that price has significant relationship towards consumer satisfaction and the VIF values was 1.093 indicated the absence of multicollinearity problem in structural model. Hence, H3 is supported because it is significant.

H4 is the hypothesis examining the relationship between promotion and consumer satisfaction towards cosmetic products in Klang Valley, Malaysia. Based on the results, the path coefficient of promotion and consumer satisfaction towards cosmetic products was 0.119, while p-value was 0.001 and T-value of 2.413. This shown that promotion has significant relationship towards consumer satisfaction and the VIF values was 1.265 indicated the absence of multicollinearity problem in structural model. Hence, H4 is supported because it is significant.

H5 is the hypothesis evaluating the relationship between consumer satisfaction and brand loyalty towards cosmetic products in Klang Valley, Malaysia. Based on the results, the path coefficient of consumer satisfaction and brand loyalty towards cosmetic products was 0.669, while p-value was 0.029 and T-value of 14.983 (way higher than the required minimal of 1.96). This shown that consumer satisfaction has significant relationship towards brand loyalty and the VIF values was 1.000 indicated the absence of multicollinearity problem in structural model. Hence, H5 is supported because it is significant. Overall, the path analysis provide positive relationships that were hypothesized brand image, perceived quality, price, promotion and consumer satisfaction were supported.

### **4.3 Discussion**

Through the literature review that had been carried out and through the data analysis that was done in chapter 4 the first objective of the study was met which stated “To study the factors that influence brand loyalty of cosmetic products in Malaysia.” The factors that influence brand loyalty of cosmetic products in Malaysia were brand image, perceived quality, price and promotion.

The second objective was met after the path analysis was carried out. From the path analysis, results displayed in table 3 clearly showed that perceived quality was the factor that had strongest impact on consumer satisfaction as the path coefficient was at 0.490, highest among all the other factors that had established a significant relationship with brand loyalty towards cosmetic products. On further note hypothesis 2 was also supported as perceived quality

established a positive significant relationship with consumer satisfaction towards cosmetic products.

The third objective which stated “To evaluate the relationship between consumer satisfaction and brand loyalty towards cosmetic products in Malaysia” was also achieved. From Table 3, it was known that the path between consumer satisfaction and brand loyalty towards cosmetic products indicated a very strong significant positive relationship as the path coefficient was 0.669, very close to 1.

## **5. Conclusion**

The purpose of this research is to investigate how the respondents are influenced by factors of brand loyalty towards cosmetics products. Brand loyalty is important for an organization to ensure that its product is kept in the minds of consumers and prevent them from switching to other brands. The research showed that it was not easy to obtain and maintain consumer loyalty for a company’s product because there were many forces drawing consumers away such as competition and consumers’ thirst for variety.

The findings revealed that perceived quality plays a significant role in influencing consumers to be brand loyal customers. Additionally, the overall findings of this study also show that amongst others consumers prefer brand image, perceived quality, price and promotion as relevant factors attributable to brand loyalty thus all these factors showed positive relationships with brand loyalty yet consumer satisfaction also showed a moderating effect on brand loyalty.

### **5.1 Recommendation**

The findings of the study endorse the existence of significant positive associations between brand loyalty and brand image, perceived quality, price and promotion. In line with these findings, a number of recommendations may be suggested in order to develop strategies aimed at enhancing brand loyalty amongst consumers. Among the four independent variables, product quality had the greatest influence in consumer decision making process. This means that firms should keep updating the product quality in order to gain competitive position in cosmetic sector. Besides that, price was an important consideration for the average consumer, but consumers with high brand loyalty were less-price sensitive. The result shows that consumers

would repurchase the product with the same brand name even if it was highly priced as long as the consumers were satisfied with the particular brand. However, firms should have consistency in pricing the products since a change in price may trigger a shift on the loyalty of the customers.

Meanwhile, brand image has always been the focus of many consumers when making a purchase. Consumers tend to go for top brands more than for products with lower brand image because consumers perceive that products with top brand image have better quality. Other than that, promotion also plays a part in influencing consumers' purchase intention. Firms must be aware of the importance of delivering product information efficiently, either by advertising or through adequate labeling on the products because nowadays consumers are well-educated in terms of requirements of a product, consumers would search for product information to check whether the product fits their needs.

## **5.2 Limitation**

One of the major limitations of this study is the geographical focus is limited to one city of Malaysia and it could not be the demonstrative of the all citizens of Malaysia. This will limit the accuracy of the results of describing the consumer intention in the country. Besides that, this study only uses questionnaires to analyze consumers' brand loyalty towards cosmetic products. Some of the respondents might may not be honest and sincere in answering the questionnaire. Hence, this will limit the research in understanding deeper about the real intention of consumer towards cosmetic products.

Other than that, there are merely four variables being examined in this study. There are many other factors that may influence consumers' brand loyalty such as store environment, service quality and design. Therefore, it causes the study to be not representative enough to understand and describe the factors that affect consumers' brand loyalty in cosmetic sector. Furthermore, due to time and cost constraints, the sample size of this study is only 265 respondents and this will limit the study to analyze consumers' brand loyalty generally in the whole Malaysia.



## 6. References

- Akram, A, Merunka, D and Akram, MS. (2011). Perceived brand globalness in emerging markets and the moderating role of consumer ethnocentrism. *International Journal of Emerging Markets*, 6 (4), 291-303.
- Che Wel.C.A, Alam.S and Sallehuddin.M. (2011). Factors affecting brand loyalty: an empirical study in Malaysia. *Australian Journal of Basic and Applied Sciences*, 5 (12), 777-783
- Cochran, W. G. (2007). Sampling Techniques. 3rd Ed. New York: John Wiley & Sons.
- De Chernatony L. (2010). From Brand Vision to Brand Evaluation. The Strategic Process of Building integrated brands, From Brand Vision to Brand Evaluation. 3(1), 81-110.
- Ehsan Malik,M, Ghafoor,M, Iqbal, H, Riaz,U, Hassan,N, Mustafa,M and Shahbaz,S. (2013). Importance of brand awareness and brand loyalty in assessing purchase intentions of consumer. *International Journal of Business and Social Science*, 4 (5)
- Eze, U.C, Tan, C.B and Yeo, L.Y. (2012). Purchasing cosmetic products: A preliminary perspective of Gen-Y. *Contemporary management research*, 8 (1), 51-60. Retrieved from <http://dx.doi.org/10.7903/cmr.10149>
- Fornell, C. and Larcker, D.F. (1981). Evaluating structural equation models with unobservable variables and measurement error. *Journal of Marketing Research*, 18 (1), 39-50.
- Hair, J.F., Black, W.C., Babin, B.J. and Anderson, R.E. (2010). Multivariate Data Analysis: A Global Perspective, 7th ed., Pearson, Boston.
- Hair, J.F. et al. (2014). Partial Least Squares Structural Equation Modelling (PLS-SEM) V. Knight, ed., California: SAGE Publications Ltd.p126.
- Hassali, M.A. (2015). Malaysian cosmetic market: current and future prospects. Retrieved from <http://www.omicsgroup.org/journals/malaysian-cosmetic-market-current-and-future-prospects-2167-7689-1000155.php?aid=65405>
- Ismail, B, Tajuddin, M.T, Armia, R.N, Samsudin, M.M, Zain, R.A and Derani, N. (2012). The relationship between store brand and customer loyalty in retailing in Malaysia. *Asian Social Science*, 8 (2). Retrieved from <http://ccsenet.org/journal/index.php/ass/article/viewFile/14624/9990>
- Khraim,H.S. (2011). The Influence of Brand Loyalty on Cosmetics Buying Behavior of UAE Female Consumers. *International Journal of Marketing Studies*, 3 (2). Retrieved from <http://www.ccsenet.org/journal/index.php/ijms/article/viewFile/10386/7413>
- Knoema, (2015). Population estimates and projections, 2015. Retrieved from <http://knoema.com/WBPEP2014/population-estimates-and-projections-2015?country=1001190-malaysia>
- Krejcie, R.V., and Morgan, D.W. (1970). Determining sample size for research activities. *Educational and Psychological Measurement*, 30, 607-610.
- Lim, Y,S, Teo, Y.S, Tan, N.L, and Ng, TH. (2012). Cosmetic Product: A Study of Malaysian Women Shoppers in Cyberspace. *World Applied Sciences Journal*, 20 (11), 1529-1533. Retrieved from <http://citeseerx.ist.psu.edu/viewdoc/download?doi=10.1.1.390.1076&rep=rep1&type=pdf>
- Lovelock, C. H. (2010). Services Marketing, 4th Ed. New Jersey: Prentice Hall.
- Lazarevic,V. (2012). Encouraging brand loyalty in fickle generation Y consumers. *Young Consumers*, 13 (1), 45 – 61. Retrieved from <http://dx.doi.org/10.1108/17473611211203939>
- Malaysian insider, 2014. The beauty of the beauty industry. Retrieved from <http://www.themalaysianinsider.com/features/article/the-beauty-of-the-beauty-industry>
- Mansor,N, Ali, D.E and Yaacob, R. (2010). Cosmetic usage in Malaysia: Understanding of the major determinants affecting the users. *International Journal of Business and Social Science*, 1 (3). Retrieved from [http://ijbssnet.com/journals/Vol.\\_1\\_No.\\_3\\_December\\_2010/27.pdf](http://ijbssnet.com/journals/Vol._1_No._3_December_2010/27.pdf)
- McMullan, R and Gilmore, A. (2010). Customer loyalty: an empirical study. *European Journal of Marketing*, 42 (9) 1084 – 1094. Retrieved from <http://dx.doi.org/10.1108/03090560810891154>
- Nikhashemi, S. R., Paim, L., Sidin, S. M., and Osman, S. (2013). The Antecedents of Brand Equity Development on Malaysian Interment Service Providers. *World Applied Sciences Journal*, 25(1), 14-22.
- Olsen, L. and Johnson, M., 2010. Service equity, satisfaction and loyalty: from transaction-specific to cumulative evaluations. *Journal of Service Research*, 5 (3), 184-195.

- Ong, F. S., Kitchen, P. J. & Chew, S. S. (2010) Marketing a Consumer Durable Brand in Malaysia: A Conjoint Analysis and Market Simulation. *The Journal of Consumer Marketing*, 27(6), 507-515.
- Pitman, S. (2015). Latest US cosmetic market research points to lack of brand loyalty. Retrieved from <http://www.cosmeticsdesign.com/Market-Trends/Latest-US-cosmetic-market-research-points-to-lack-of-brand-loyalty>
- Pauzi, N.F, Ayub, N, Abu Bakar, S.A and Karim, M, S. (2014). Consumers; perception: the factors affecting the purchase intention of Malaysian consumers on imported vehicles. Retrieved from <http://versys.uitm.edu.my/prisma/view/viewPdf.php?pid=56501>
- Rahman, N.A, and Noor, S.P. (2014). The role of brand self-relevance in developing brand loyalty: a study on the brand loyalty for Honda. *Malaysian Journal of Communication*, 30 (2), 91-116.
- Rahim. M.H, Mustaffa, N and Lee. S.M. (2010). The effects of gender advertising on brand image: the Malaysian context. *Malaysian Journal of Communication*, 27 (1), 118-132
- Ramiz, M., Qasim, M., Rizwan, M., Aslam, F., and Khurshid, A (2014). The Comparative Analysis of the Factors Effecting Brand Loyalty towards Samsung Products. *Journal of Sociological Research*, 5 (1), 1948-5468. Retrieved from <http://www.macrothink.org/journal/index.php/jsr/article/viewFile/6569/5408>
- Rezvani, S, Rahman, M.S and Dehkordi, G.J. (2013). Consumers' perceptual differences in buying cosmetic products: Malaysian perspective. *Middle-East Journal of Scientific Research*, 16 (11), 1488-1496. Retrieved from [http://www.idosi.org/mejsr/mejsr16\(11\)13/7.pdf](http://www.idosi.org/mejsr/mejsr16(11)13/7.pdf)
- Sasmita, J., and Suki, N. (2015). Young consumers' insights on brand equity. *International Journal of Retail & Distribution Management*, 43 (3), 276 – 292. Retrieved from <http://dx.doi.org/10.1108/IJRDM-02-2014-0024>
- Saydan, R. (2013). Measurement Customer- Based Airline Brand Equity: An England Based Study. 1-17.
- Sekaran, U., and Bougie, R. (2011). Research methods for business: A skill building approach 5th ed., Chichester: John Willey & Sons Ltd
- Singh,P.K., and Pattanayak, J. K. (2014). The Impact of Brand Loyalty on Consumers' Sportswear Brand Purchase. *Journal of Brand Management*, 11 (4), 40
- Southey, G. (2011).The Theories of Reasoned Action and Planned Behaviour Applied to Business Decisions: A Selective Annotated Bibliography. *Journal of New Business Ideas & Trends 2011*, 9(1), 43-50 Retrieved from [http://www.jnbit.org/upload/JNBIT\\_Southey\\_2011\\_1.pdf](http://www.jnbit.org/upload/JNBIT_Southey_2011_1.pdf)
- Srivastava, M. (2014). A study of determinants of brand loyalty in cosmetic and buying behavior of female consumers from the retailer's point of view in Pune city. *International Journal of Business and General Management*, 3 (3), 77-86.
- Vrancken, J. (2015).TV advertising still effective in influencing Malaysian consumers. Retrieved from <http://www.marketing-interactive.com/malaysians-rely-tv-ads-new-product-trials/>
- Wong, F.E., and Sidek, Y. (2010). Influence of Brand Loyalty on Consumer Sportswear. *International Journal of Economics and Management*, 2 (2), 221 – 236. Retrieved from <http://econ.upm.edu.my/ijem/vol2no2/bab02.pdf>
- Zikmund, W. G., Babin, B. J., Carr, J. C., & Griffin, M. (2010). Business research methods. 8th ed., Mason, HO: Cengage Learning.